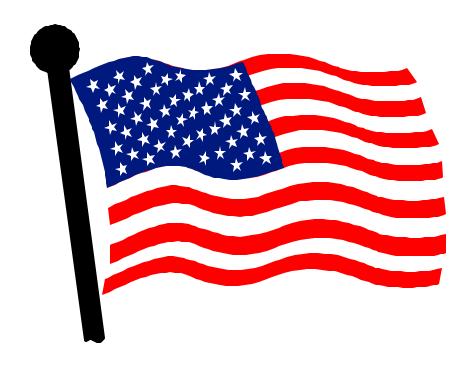
TO REDUCTION IN FORCE (RIF)



SHEPPARD AIR FORCE BASE CIVILIAN PERSONNEL FLIGHT

2001

GUIDE TO REDUCTION IN FORCE (RIF)

THIS BOOKLET IS DESIGNED TO PROVIDE GENERAL INFORMATION TO THE EMPLOYEES OF SHEPPARD AIR FORCE BASE ABOUT RIF. IT DOES NOT ESTABLISH POLICIES OR PROCEDURES, BUT IS FOR INFORMATIONAL PURPOSES ONLY. REGULATORY GUIDANCE CAN BE FOUND IN TITLE 5, CODE OF FEDERAL REGULATIONS, PART 351, WHICH IS LOCATED IN THE CIVILIAN PERSONNEL FLIGHT OR AT THE FOLLOWING WEBSITE: www.access.gpo.gov/nara/cfr/index.html.

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INTRODUCTION



Reduction-in-Force (RIF) is a very complex process. We hope this pamphlet will explain many of its aspects to you. It is important to each and every employee to ensure that their official records are up-to-date and reflect correct information on tenure, service computation date (SCD), performance appraisals, and whether or not you have veteran's preference.

The first section of this booklet defines many of the terms used in a RIF, and reviews the process used to determine who will be reassigned, who will be downgraded, who will be separated, etc.

If you are downgraded, you will generally be entitled to grade or pay retention. One of the sections of this booklet discusses this pay protection benefit.

If the base receives early retirement authority, or if you are separated and are eligible for early retirement, you may be interested in reading the section dealing with this topic.

If you are separated, you will receive placement assistance and you may be eligible for severance pay. Also, if you have to move to another federal activity, you may get your travel and transportation expenses paid. Several sections discuss these topics.

Finally, if you feel that you were not given systematic and uniform treatment in accordance with RIF regulations, you may grieve or appeal the action. The final section of this booklet tells you about these rights.

RIF DEFINED

Before we discuss how a RIF works, we need to define what a RIF is.

In the Federal government, RIF is a term that applies to very specific situations. It is a uniform and systematic method by which to determine which employees will retain their positions and jobs during periods of reorganization and base closure.

nd a is

A personnel action must b	e taken under RIF procedures when both the action to be taken ar
the cause of the action r not a RIF action. The crite	neet the criteria below. An action that meets one but not both criteria are as follows:
a. Action to be to	aken is release of an employee from a competitive level by:
(1) separa	ition;
(2) furlou	gh for more than 30 days;
(3) demot	ion; or
(4) reassig	gnment requiring displacement.
b. Cause of the	action is:
(1) lack o	f work;
(2) shorta	ge of funds;
(3) insuffic	cient personnel ceiling;
	nization (whomever is selected as the service provider, there will be ganization);
(5) an ind	ividual's exercise of reemployment rights or restoration rights; or
(6) reclas	sification of an employee's position due to erosion of duties when

within 180 days.

such action will take effect after an agency has formally announced a RIF in the employee's competitive area and when the RIF will take effect

TEMPORARY EMPLOYEES

RIF procedures are not applicable to employees serving under a specifically limited temporary appointment. Appointments of temporary employees must be terminated before permanent employees are released from their competitive levels if both occupy the same competitive level. In a RIF, where an activity is attempting to reduce its overall strength, generally all temporaries are released before any permanent or TERM employees are separated.

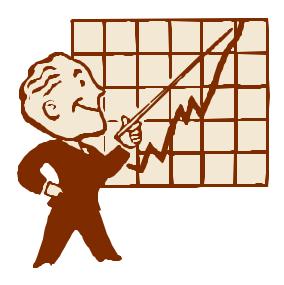
EMPLOYEES ON TEMPORARY/TERM PROMOTIONS AND DETAILS

Employees on temporary or term promotions or on details compete from their permanent positions.

For example: if a GS-09 employee is temporarily promoted to a GS-11 position, he/she, for RIF purposes, will show up on the retention register as a GS-09, and compete for RIF as a GS-09.

EXCEPTED SERVICE EMPLOYEES

Excepted service employees have no assignment rights under the RIF regulations, i.e., no right to bump or retreat to a position in a different competitive level. However, after completing the competitive service RIF charting, excepted service employees are considered for any remaining vacancies.



HOW DOES RIF WORK

In this section we will provide definitions of commonly used RIF terminology, and explain how retention registers are developed and the various steps in determining who will be involved in the RIF.

You should not try to use these guidelines to determine if you are more or less senior than others nor try to second guess what might or might not happen. While you could probably determine seniority among a group of workers, you may be unaware of other employees on the base with the same qualifications in a higher tenure group or with more seniority. This type of exercise could give a false sense of security or, conversely, raise your stress level unnecessarily.

In order to determine how employees will compete with one another for retention, each employee must be assigned to a **competitive area** and to a **competitive level.**

COMPETITIVE AREA

The competitive area describes the area within which employees compete for retention in a RIF. Sheppard's competitive area for RIF purposes is defined as all positions serviced by the Sheppard Civilian Personnel Flight in the commuting area. In addition, any position that belongs to a centrally managed intern program is in a separate competitive area for RIF; i.e. PALACE ACQUIRE and COPPER CAP.

Employees in a competitive area compete only with each other; they do not compete with employees in another competitive area.

COMPETITIVE LEVEL

Within the competitive area, positions that are in the same classification series, in the same grade level, and have similar duties, qualification requirements, pay schedules, and working conditions are grouped into one competitive level. Positions are in the same competitive level when the incumbent of one position can successfully perform the critical elements of any other position in the competitive level upon assignment to it, without any loss of productivity beyond that normally expected in the orientation of any new, but fully qualified, employee. Thus, all Office Automation Clerks in the GS-0326 series at the GS-03 grade are in the same competitive level.

Different competitive levels are established for different types of work schedules (such as part-time, seasonal, etc.), employees in formally designated training programs (such as Apprenticeship and formal Intern Programs), employees in different pay schedules, supervisory or non-supervisory status, and employees in the excepted service.

RETENTION REGISTER

Retention registers are lists of employees who occupy positions in the same competitive level. There is a retention register for each separate competitive level. The names of all employees in a **competitive level** are listed on the **retention register** in a very specific order based on their relative retention standing. The standing is based on **tenure**, **veteran preference**, and **length of service** adjusted by **credit for performance**.

Let's discuss each of these four factors in greater detail.

TENURE

Tenure is the type of appointment an employee has. Examples of competitive service tenure groups are:

- Group I Career employees not serving a probationary period for appointment to a competitive position.
- Group II Career Conditional employees and Career employees serving a probationary period for initial appointment to a competitive position.
- Group III Indefinite, TAPER, TERM, Status Quo employees, or any other non-status, non-temporary appointment.

NOTE: The fact that an employee is serving a probationary period for a supervisory or managerial position does not affect the tenure group of the employee's appointment for RIF purposes.

VETERAN PREFERENCE

Veteran Preference is based on the employee's military service or based on his/her relationship to a disabled or deceased veteran. Veteran preference for initial appointment purposes is different than that for RIF. For RIF purposes, veteran preference is divided into the following categories:

- AD Employees entitled to veteran preference with a compensable service connected disability of 30% or more.
 - A All other employees entitled to veteran preference.
 - B Employees not entitled to veteran preference.

Of course, not everyone who served in the military is entitled to veteran preference.

- a. Retired military, <u>BELOW</u> the rank of major (or equivalent), <u>WILL NOT</u> receive veteran preference for RIF unless they meet one of the following conditions:
 - (1) Retirement based on disability that either:
 - resulted from injury or disease received in the line of duty as a direct result of armed conflict; or
 - was caused by an instrumentality of war and was incurred in the line of duty during a period of war.
 - (2) Retirement pay is based on less than 20 years of service, regardless of when performed, but not including periods of active duty for training.
 - (3) Has continuous covered Federal employment since 30 Nov 64, without a break in service of more than 30 days.
- b. Retired military, <u>AT OR ABOVE</u> the rank of major (or equivalent), <u>WILL NOT</u> receive veteran preference for RIF unless they meet one of the following conditions:
 - (1) Retirement based on disability that either:
 - resulted from injury or disease received in the line of duty as a direct result of armed conflict; or

- was caused by an instrumentality of war and was incurred in the line of duty during a period of war.

(2) Be a **DISABLED VETERAN** and have either:

- retirement pay based on less than 20 years of service, regardless of when performed, but not including periods of active duty for training; or
- has continuous covered Federal employment since 30 Nov 64, without a break in service of more than 30 days.
- c. Some spouses, widows, widowers, and mothers of disabled veterans may get preference known as derivative preference.

LENGTH OF SERVICE

The length of service is your total years of creditable federal service. This is referred to as your Service Computation Date (RIF SCD).

CREDIT FOR PERFORMANCE

The RIF service computation date is adjusted by crediting additional years of service based on the last three annual performance ratings of record received during the 4-year period prior to the date ratings are frozen before issuing specific RIF notices. If there is no official rating of record available on an employee, a <u>modal rating</u> is used. Modal ratings are used only when the competitive area undergoing a RIF contains an employee (or employees) who has no rating of record within the applicable 4-year period for crediting ratings. A modal rating is the rating level assigned most frequently among the actual ratings of record within the same competitive area (for the most recently completed appraisal period prior to the issuance of notices or the specified cut-off date.) For equity purposes, as well as to provide adequate time to determine an employee's retention in a RIF, a cutoff date is established for performance ratings. No performance ratings put on record after this date may be used for RIF purposes.

There are two situations ("single rating pattern" or "multiple rating pattern") for determining this additional retention service credit based on performance in a RIF situation.

The **Single** Rating Pattern RIF occurs when all ratings in the RIF competitive area are from the same pattern appraisal rating system. For example, this means that all employees have a rating based on the same pattern as in "Acceptable" or "Unacceptable" (our current Air Force (AF) pattern).

A **Multiple** Rating Pattern RIF occurs when one or more ratings in the RIF competitive area are from a different pattern appraisal rating system, e.g., one rating was given under one type of rating system (the old 5 tier system of Outstanding, Excellent, Fully Successful, Minimally Successful, Unacceptable) and another rating was given under another rating system (Acceptable, Unacceptable). This may happen when an agency changes its pattern, as in the present case within AF. In 1999, the AF had a 5-tier rating system and in 2000, the AF went to a two-tier system. Another instance where a multiple pattern is present is when an employee has transferred into an agency from another agency that used a different rating pattern.

The following situation will most probably exist should Sheppard have a RIF with a cut-off appraisal date of June 2001:

1st Step: Look up the past three ratings of record in the last four-year period.

Jun 99	Excellent	(old AF 5 tier system)
Jun 00	Acceptable	(new AF two tier system)
Jun 01	Acceptable	(new AF two tier system)

In this situation, there is one year (1999) in which the appraisal had 5 possible ratings (Superior, Excellent, Fully Successful, Minimally Successful, and Unacceptable). There are two appraisals (2000 and 2001) in which the rating pattern was different – a two tier or Acceptable or Unacceptable. Therefore, this is a multiple pattern RIF. Under multiple pattern RIF, employees with an acceptable rating will receive 20 years credit for RIF. Therefore, the above would be translated to the following.

 2^{nd} Step: Since the above situation is a multiple pattern rating, give 20 years credit for the Jun 99 rating.

Jun 99	Excellent	20 years
Jun 00	Acceptable	20 years
Jun 01	Acceptable	20 years

3rd Step: Add the three years 60 years

 3^{rd} Step: Divide by three $\frac{60}{3} = 20$ years

4th Step: Compute adjusted RIF Service Computation Date (SCD)

RIF SCD ADDED YEARS = ADJUSTED RIF SCD

751003 20 years = 551003

Should a RIF occur during 2003, and everyone in the competitive area has the same rating pattern, 12 additional years instead of 20 would be credited. However, it only takes one employee who has a different appraisal pattern (e.g., someone that Sheppard has hired from outside AF) to make the RIF a multiple pattern RIF. Then, 20 years credit is given.

An employee who has received at least one but fewer than three previous ratings of record during the 4-year period shall receive credit for performance on the basis of the value of the actual rating(s) of record divided by the number of actual ratings received. For example, if an employee has received only one actual rating of record during the period, its value is the amount of additional retention service credit provided. If an employee has received only two actual ratings of record during the period, the value of the ratings is added together and divided by two (and rounded in the case of a fraction to the next higher whole number) to determine the amount of additional retention service credit.

CHANGES TO RETENTION REGISTER

The retention register used in a RIF shows the retention standing of employees as of the RIF effective date. For example: if a RIF is to have an effective date of 29 Mar and the notice letters must be issued at least 60 (or 120 if the contractor is selected as the service provider) days before that; then the retention register is ordered 30 to 60 days before that. Since the Air Force Personnel Center is responsible for RIF procedures, Sheppard is required to *request* RIF procedures be accomplished at least 6 months prior to the effective day. Thus, any personnel changes that we know will happen (for example: that a person will attain career status) must be manually transcribed to the retention register.

There are many things that will affect the retention register. Any permanent position changes that take employees out of their competitive levels, resignations, transfers to other federal activities, retirements, etc. Every time there is any change to the retention register, the change has to be made manually and then a determination must be made whether or not that change necessitates a change in a RIF offer.

To keep these changes to a minimum, the RIF regulation allows installations to establish a cutoff date for receipt of performance appraisals as well as requests for any permanent position movements (for example: reassignments, promotions, changes to lower grade, etc.). The third performance appraisal will most probably be the one effective 01 June 01. Such a cutoff date lessens the changes that need to be made to the retention register, and also prevents allegations of management manipulation of the retention register by promoting or reassigning "favored" employees into jobs which may not be as vulnerable to the RIF.

RETENTION REGISTER ORDER

The order on a retention register is first by tenure group, then by veteran preference subgroup, and finally by the adjusted RIF SCD.

Example:

I-AD	Career/30% Compensable Veteran
I-A	Career/Veteran
I-B	Career/Non-Veteran
II-AD	Career-Conditional/30% Compensable Veteran
II-A	Career-Conditional/Veteran
II-B	Career-Conditional/Non-Veteran
III-AD	Veteran with a disability of 30% on an indefinite, TERM, TAPER, or
	other non-status, non-temporary appointment, or those in Status Quo
III-A	Veteran on an indefinite, TERM, TAPER, or other non-status, non-
	temporary appointment, or those in Status Quo.
III-B	Non-veteran on an indefinite, TERM, TAPER, or other non-status,
	non-temporary appointment, or those in Status Quo.

Below is a sample retention register for the competitive level for Management Analyst, GS-11, at Big Blue Air Force Base:

Management Analyst GS-0343-11

<u>Name</u>	Tenure	<u>SCD</u>
Bob	I-AD	07-10-63
Charles	I-A	08-15-55
Olga	I-B	08-10-38
Sally	I-B	08-22-38
Margaret	II-A	10-03-85

DETERMINING WHICH POSITIONS TO ABOLISH

Prior to running a RIF, management must identify which positions will be abolished. A number of different factors are taken into account as to which positions to abolish; the quantity of work to be performed during the next budget year, programs that might be canceled due to reduced funding, a need to increase the supervisory ratio, etc.

Management provides this information to the Civilian Personnel Flight (CPF) by submitting a Personnel Action Request (PAR) (automated Standard Form 52, Request for Personnel

Action), abolishing specific positions. The CPF then looks at the retention register for each competitive level in which a position is being abolished. For example: if a Management Analyst, GS-11, position is being abolished, the retention register for that competitive level is reviewed.

When an employee's position is abolished, he/she is not automatically within reach for RIF. Air Force policy requires that employees be placed in vacancies for which they are qualified before displacing another employee within the competitive level. If there are no vacancies available to which the employee can be reassigned, then the affected employee can displace the lowest ranking employee within the competitive level. The employee with the lowest retention standing in that competitive level would then be within reach for RIF, i.e., released from the competitive level.

Let's look again at the retention register for Management Analyst, GS-11, and assume that the GS-11 position held by Bob is to be abolished:

Management Analyst GS-0343-11

<u>Name</u>	Tenure	Adjusted SCD
Bob	I-AD	07-10-63 (ABOLISHED)
Charles	I-A	08-15-55
Olga	I-B	08-10-38
Sally	I-B	08-22-38
Margaret	II-A	10-03-85 (RELEASED)

Assuming there are no vacancies at the GS-11 to which Bob could be placed, he would be reassigned into Margaret's position and Margaret would be released from the competitive level because she has the lowest retention standing. When Margaret is released from the competitive level, the CPF looks to see if she can displace another employee. She may be able to bump or retreat to another position in a different competitive level.

QUALIFICATION FOR ASSIGNMENT

In a RIF, a great deal of effort is expended in evaluating the qualifications of employees to honor their assignment rights. This is necessary because an employee has to be fully qualified for a position in order to displace another employee by bumping or retreating, which is covered on the next page.

Evaluating qualifications is especially time consuming because an employee's qualifications may be evaluated for several different positions as the CPF tries to identify the best offer.

Your Official Personnel File (OPF) is used to evaluate your qualifications for other jobs. Prior to running a RIF, a cutoff date is generally established for updating experience and education in your OPF. After that date, additional material added to your OPF will not be considered.

For most placements in a RIF, you will need to meet the qualification requirements of the position. These qualification requirements are established by the Office of Personnel Management (OPM). However, to minimize the adverse impact of a RIF, qualification requirements may be waived (by management) to assign an employee to a <u>VACANT</u> position.

BUMP AND RETREAT

BUMP:

An employee may displace another employee in a lower tenure group (Group I could bump Group II), or in a lower sub-group in the same tenure group (Group II-A could bump Group II-B).

As in our earlier example, assume again there are no vacancies available for which Margaret qualifies. In reviewing her qualifications, however, Civilian Personnel notes that she fully qualifies for an Administrative Specialist, GS-09 position, which is a lower grade than her GS-11 grade level. Therefore, the retention register for that competitive level is reviewed.

Thus, using the retention register below, Margaret, a II-A (Career/Conditional Veteran), could bump Kimberly since she is in a lower sub-group, II-B (Career/Conditional non-veteran).

ADMINISTRAVE SPECIALIST GS-0301-09

<u>Name</u>	Tenure	<u>SCD</u>
Dan	I-AD	02-17-39
Craig	I-B	05-03-75
Michael	II-A	03-18-73
Kimberly	II-B	06-28-77

Since Margaret was placed using her bump rights, the CPF did not need to look at where she would be placed using her retreat rights.

Margaret now has a new job, but now Kimberly has been **RELEASED** from her competitive level. Civilian Personnel must now look for a job for Kimberly.

Kimberly, as a tenure group II, with no veteran preference (B), has no bumping rights. An employee can only bump persons in a lower tenure sub-group. Kimberly is in the lowest sub-group

in tenure group II, and in our example, the base has no one in tenure group III. Therefore, the CPF will look at her **RETREAT** rights.

RETREAT:

The assignment of an employee to a position occupied by a lower standing employee in the same sub-group but; in another competitive level. <u>You can only retreat to the same</u> <u>position, or a position essentially identical to one you previously held in the Federal Service on a permanent basis.</u>

For example: Kimberly, who was displaced in the above example, previously held a position as an Industrial Engineering Technician, GS-0895-09. Using the sample retention register below, Kimberly (II-B, 6-28-77) could **RETREAT** and displace Annie who is in the same subgroup (II-B), but has a more recent SCD (02-21-78).

Industrial Engineering Technician GS-0895-09

<u>Name</u>	<u>Tenure</u>	SCD
Alison	II-B	03-15-76
Kristen	II-B	05-03-76
Annie	II-B	02-21-78

Now Kimberly has a new job, but Annie has been released from her competitive level. The CPF reviews her qualifications for assignment. Annie may not fare as well as Margaret and Kimberly. Being in tenure sub-group II-B, there is no one on the base for her to bump. Remember, the base has no employees in tenure group III, and you can only bump persons in a lower tenure sub-group. In reviewing her Official Personnel Folder, the CPF finds that she was appointed to her current job from an OPM certificate; therefore, this is her one and only federal job. Thus, Annie has no retreat rights. (Remember, you can only retreat to jobs that you have held in the federal government.)

Based on this scenario, Annie would be separated from the base.

Looking at this one scenario, RIF may not look too complicated. But, consider that if the base abolished 200 encumbered positions, the process of "release, bump, retreat, bump, retreat, separate" has to be replayed 200 times. Also realize that the examples shown were rather simple ones. They can be much more involved and make the overall process much more complicated.

Now that you have a basic understanding of Bump and Retreat, here are a few more things you should know about these two processes.

BUMPING:

Employees in-group I-AD can never be bumped, because I-AD is the highest retention sub-group. Only employees in lower retention sub-groups can be bumped.

Employees who bump are **NOT** required to have previously done the job occupied by the bumped employee. However, employees must be able to perform all aspects of the position without undue interruption.

Employees can bump into positions at the same grade level as their own position. For example: a person whose GS-04 Secretary position was abolished, and who was released from his/her competitive level, could bump an employee in a GS-04 Office Automation Clerk position.

Employees can only bump into positions that are no more than three grades, or three grade-intervals, below the position from which the employee is released.

Finally, length of service does **NOT** prevent a bump. Employees with very little service can bump employees with more service. Bumping is based on employees' retention sub-groups.

RETREATING:

In retreating, an employee may only retreat into an available position if:

- a. the position was formerly held, or essentially identical to one previously held, in any Federal agency on a permanent basis;
- b. the position is currently held by an employee in the same sub-group with a later adjusted service date;
- c. the position is at the same grade, or no more than three grades or grade intervals below the position from which an employee is being released. (The position may be up to five grades, or grade intervals, if the released employee is a 30% compensable veteran.)

NOTE:

The "Bump/Retreat Chart" on the next page shows exactly how you can move according to your personal tenure and veteran preference.

RETREAT RIGHT BUMP RIGHT I-AD.....I-A, B I-AD.....I-AD II-AD, A, B III-AD, A, B I-A.....I-B I-A.....I-A II-AD, A, B III-AD, A, B I-B.....I-B I-B.....II-AD, A, B III-AD, A, B II-AD.....II-AD II-AD....II-A, B III-AD, A, B II-A....II-B II-A.....II-A III-AD, A, B II-B....II-B II-B.....III-AD, A, B POSITION CAN BE NO MORE MAY RETREAT TO SAME THAN THREE GRADE INTER-SUB-GROUP ONLY IF VALS BELOW THE GRADE POSITION IS HELD BY AN OF THE POSITION FROM EMPLOYEE WITH A LATER WHICH THE EMPLOYEE WAS ADJUSTED SERVICE RELEASED. COMPUTATION DATE. POSITION CAN BE NO MORE THAN THREE GRADE INTERVALS (FIVE GRADES FOR 30% OR MORE FOR DISABLED **VETERANS) BELOW THE** POSITION FROM WHICH RELEASED. POSITION SAME/ESSEN-TIALLY IDENTICAL TO JOB PREVIOUSLY HELD.



THREE GRADE DROP

In RIF placement, an employee cannot bump, retreat, or be placed in a vacancy more than three grades, or three grade intervals, below the position from which the employee is released. What does all this mean?

Let's look at a few examples in the GS pay-system first. If you are a GS-05 in a one grade interval series, for example, Supply Clerk, the lowest grade you can be placed in is GS-02; three grades below a GS-05. If you are a GS-11 in a two grade interval series, for example, Contract Specialist, the lowest grade you can be placed in is three grade intervals below the GS-11 grade, that is, GS-05. If you are in a mixed interval series, your three grade drop is based on the career progression of the position. For example, if you are an Industrial Engineering Technician, GS-0895-11, and the career progression of that series is GS-5, 7, 8, 9, 11, you can be placed down to the GS-07 grade.

In the Federal Wage System, we have a slightly different situation and we have to look at the normal line of progression. Thus, in the Electronics Mechanic field, if the normal line of progression is WG-05, WG-08, WG-11 and WG-12, and a WG-12 Electronics Mechanic is being released from his/her competitive level, he/she could be placed into a WG-05 position. A journeyman painter may have a different level of progression, i.e., WG-05, WG-07 and WG-09. Since there are only two grade intervals below the journeyman WG-09 grade, we have to construct a level of progression. For example: if a Painter, WG-09, is being released from his/her competitive level, we would have to construct the third level; thus, the Painter could bump or retreat to the WG-04 grade.

OTHER RIF FACTS

Once a RIF becomes necessary, each employee involved in the RIF will be given a minimum of 60 days written notice or at least 120 days should the contractor be selected as the service provider.

- a. If you are demoted, you may be entitled to grade retention for two years and pay retention indefinitely.
- b. If you are separated, you may be entitled to early retirement or to severance pay.
- c. Employees serving on a temporary appointment (NTE), (including reemployed annuitants) and employees who have received a written decision of removal are **NON-COMPETING EMPLOYEES** for RIF purposes.
- d. Before a competing employee (Group I, II, or III) may be released from a competitive level, all non-competing employees (see paragraph "c" above) in the same competitive level must be released.
- e. Under current RIF regulations, you can be offered a position no more than three grades, or grade intervals, (five grades, or grade intervals, for 30% or more disabled Veterans exercising **RETREAT** rights) lower than your current grade.
- f. Vacant positions will be used to the maximum extent possible to reduce the necessity of downgrading or separating employees.
- g. If you are currently on a **TEMPORARY PROMOTION OR DETAIL**, for RIF purposes, you will compete as though you were in your permanent position.

GRADE AND PAY RETENTION

In honoring an employee's assignment rights in a RIF, it is often necessary to place an employee in a position lower in grade than his or her current position.

An employee placed in a lower graded position by RIF procedures may be eligible for grade and/or pay retention. Grade and pay retention are designed to minimize the economic loss an employee may suffer as a result of a change to lower grade.

GRADE RETENTION

Grade retention means the employee gets to keep (retain) the grade of his or her position for pay purposes for up to two years even though placed in a lower grade position. The two-year period begins on the date the employee is placed in the lower graded position.

The employee's retained grade is considered for many personnel management purposes (including pay and pay administration, retirement, life insurance, eligibility for training, promotion, within-grade increases, and comparability increases). The retained grade is not used, however, for determining assignment rights in a subsequent RIF.

In order to receive grade retention because of a RIF, the employee must meet all of the following requirements:

- a. be serving under a permanent appointment (not an appointment having a definite time limit, such as temporary or term);
- b. be under the General Schedule (GS/GM positions) or, a prevailing wage system (such as the Federal Wage System);
- c. be placed in a lower graded position by RIF procedures; and
- d. have served for at least 52 consecutive weeks at a grade or grades higher than that of the position in which placed by a RIF.

EXAMPLE:

On 03-03-88, an employee with no prior Federal Service is appointed to a GS-03 position.

On 10-26-88, the employee is promoted to GS-04.

On 05-10-89, the employee is promoted to GS-05.

On 11-08-89, the employee is placed in a GS-03 position as a result of RIF procedures. The employee meets the 52 consecutive week requirement and is entitled to retain the grade of GS-05. Even though he or she has only 6 months of service at the GS-05 level, the GS-04 service, plus the GS-05 service, gives the employee 52 consecutive weeks at a grade level higher than **that of the position to which the employee is being reduced.** However, if this employee had been placed on 11-08-89, in a GS-04 rather than a GS-03 position, the employee would not meet the 52 consecutive week requirement, since he or she would have had only 6 months service above the GS-04 level.

Grade retention ends upon completion of the grade retention period, or when one of the following situations occurs:

- a. there is a break in service of one workday or more;
- b. the employee is demoted for personal cause, or at the employee's request;
- c. the employee is placed in a position, the grade of which is equal to, or higher than, the retained grade;
- d. the employee declines a reasonable offer of a position, the grade of which is equal to, or higher than, the retained grade; or
- e. the employee elects, in writing, to terminate the grade retention entitlement.

An employee whose grade retention period ends may receive pay retention.

PAY RETENTION

If a demoted employee's pay is within the pay range of the new position, the employee is assigned a step in the new grade, the salary of which is at least equal to his or her current salary. If, however, the rate of pay **EXCEEDS** the highest rate of pay for the new grade, the employee is entitled to pay retention. In a RIF, this occurs (1) when the period of grade retention ends, or (2) when the employee affected by the RIF does not meet the eligibility requirements for grade retention (such as serving less than 52 weeks at the higher grade). An

employee receiving pay retention is entitled to the lesser of the following:

- The employee's former rate of basic pay; or
- 150 percent of the highest rate of basic pay (Step 10 for GS, and Step 5 for Federal Wage System) for the employee's position after the reduction action.

NOTE: Locality pay is not basic pay for pay retention.

EXAMPLE:

- a. An employee is a GS-09, Step 7, and is placed in a GS-08 position by RIF procedures.
- b. His or her current rate of pay as a GS-09, Step 7 is \$29,649 and is higher than the top step in the GS-08 schedule (GS-08, Step 10 = \$29,081).
- c. The employee is entitled to \$29,649 or 150 percent of the 10th Step of GS-08 (\$43,622) whichever is the lesser.
- d. In this case, since the employee's current salary is less than 150 percent of a GS-08, step 10, the employee retains his/her pay of \$29,649, and is placed in GS-08, Step 00 (\$29,649).

Employees receiving pay retention receive 50 percent of any general (comparability) increases in pay in the maximum rate (Step 10 for GS and Step 5 for Federal Wage System) of the employee's grade at the time of the increase.

EXAMPLE:

In the case above, a comparability increase of 3 percent is effective resulting in an increase of GS-08, Step 10 from \$29,081 to \$29,954. The employee is entitled to 50 percent of the increase in the GS-08, Step 10 rate (\$29,954 minus \$29,081 or \$873) which is \$436.50 (\$437) rounded up). The employee is entitled to \$29,649 plus \$437 or \$30,086. Since the retained rate still exceeds GS-08, Step 10, the employee continues to be placed in GS-08, Step 00, \$30,086.

Pay retention ends with a break in service of 1 workday or more. It also ends when the employee's scheduled rate of pay is equal to or more than the employee's retained pay, or when the employee declines a reasonable offer of a position the rate of which is equal to, or higher than, the employee's retained rate.

EXAMPLE:

- a. An employee retains a rate of GS-09, Step 7 (\$29,649) in a GS-08 position.
- b. Let's say that in 3 years the employee's retained rate is \$33,000, because of 50 percent of each comparability increase.
- c. In these same years, the schedule rates of pay have gone up so that now GS-08, Step 10 is \$33,500.
- d. In this case, pay retention ends, and the employee is placed at Step 10 of the GS-08 grade (33,500).

SPECIAL CONSIDERATION FOR REPROMOTION

All employees down-graded through RIF are given priority consideration to positions for which they qualify at or below the grade from which demoted in accordance with Air Force Manual 36-203, and applicable labor agreements. Priority consideration does not extend to positions which offer known promotion potential to a grade above that from which demoted.

Referral of repromotion eligible candidates is made before a competitive referral is issued.

CIVIL SERVICE RETIREMENT SYSTEM (CSRS)

Whenever a RIF is discussed, employees become more interested in information on Optional Retirement, "Early-Out" Retirement, and Discontinued Service Retirement.

GENERAL REQUIREMENTS

A minimum of five years of civilian service is required. In addition, an employee must have been subject to the retirement law for at least one year, out of the last two years, before the separation on which retirement is based.

CSRS OPTIONAL RETIREMENT

Employees do not have to be affected by RIF to be eligible for optional retirement.

An employee who meets all three of the following requirements is eligible to retire at any time. The employee must:

1. be age 62 with 5 years of service; or

be age 60 with 20 years of service; or

be age 55 with 30 years of service;

- 2. have completed 5 years of **CIVILIAN** service
- 3. have been under the Federal Civil Service Retirement System for at least 1 year of the last 2 years.

CSRS offset employees are eligible for a CSRS annuity just as if they were covered by CSRS alone; except that the annuity payment is reduced (**offset**) when the employee becomes eligible for Social Security. The offset is made (even if the employee does not apply for Social Security) when the basic requirements for Social Security are met, usually at age 62. The amount of the offset is the amount of Social Security benefit attributable to the employee's service after 1983, covered by both CSRS and Social Security.

CSRS DISCONTINUED SERVICE RETIREMENT

An employee may be eligible for discontinued service retirement if he or she is involuntarily separated. The involuntary separation could be a result of RIF or similar reasons. However, the involuntary separation **CANNOT** be caused by the employee's misconduct or delinquency. Separation for either misconduct or delinquency would disqualify the employee for discontinued service retirement.

An employee may be eligible for discontinued service retirement if the employee meets **ALL FIVE** of the following requirements:

- 1. is involuntarily separated;
- 2. is age 50 with 20 years of service; or is any age with 25 years of service;
- 3. has completed 5 years of **CIVILIAN** service;
- 4. has been under the Federal Civil Service Retirement System for at least 1 of the last 2 years; and
- 5. has not declined a reasonable offer of another position.

An offer that meets all the conditions below is a reasonable offer:

- a. the offer must be in writing;
- b. the employee must meet the qualification requirements for the position;
- c. the offered position must be in the employee's agency;
- d. the offered position must be in the same commuting area unless the employee has a geographic mobility requirement (a requirement that the employee will move as required);
- e. the offered position must be of the same tenure and work schedule;
- f. the offered position must not be more than two actual grades or equivalent (rather than grade-intervals) below the employee's current grade.

If the retiring employee is under the age of 55, the annuity rate is reduced by one-sixth of one percent for each full month (two percent a year) the employee is under age 55. The annuity rate will not increase when the annuitant reaches age 55.

CSRS DEFERRED RETIREMENT

If you do not meet the requirement for an immediate annuity, you are entitled to a deferred annuity to commence at the age of 62 if:

- 1. you have completed at least five years of civilian service;
- 2. you have been employed under the retirement system for at least one year within the two-year period preceding your separation; and
- 3. you do not take a refund of retirement deductions after separating from service.

YOU MUST:

a. Request an Application for Deferred Retirement, SF-1496A, from the Office of Personnel Management (OPM) approximately 2 months before reaching age 62. The application may be obtained from OPM at the following address:

Office of Personnel Management Retirement Operation Center P.O. Box 45 Boyers, PA 16017-0045

The request must include your name, date of birth, Social Security number, the agency with which you were last employed, and the date of separation. If you used any other name, such as a maiden name, while employed with Federal government, that name should also be included.

b. Complete and return the application to OPM no earlier than 2 months before you reach age 62.

IF YOU ARE INTERESTED IN DETERMINING YOUR MONTHLY ANNUITY UNDER CSRS, CONTACT THE AIR FORCE PERSONNEL CENTER AT 1-800-997-BEST (2378).

FEDERAL EMPLOYEES RETIREMENT SYSTEM (FERS)

GENERAL REQUIREMENTS

Eligibility for retirement is determined by your age and number of years of creditable service. In some cases, you must have reached the Minimum Retirement Age (MRA) to receive retirement benefits. The following chart shows the MRA.

FERS IMMEDIATE BENEFIT

If you meet one of the following sets of age and service requirements, you are entitled to an immediate retirement benefit:

AGE	YEARS OF SERVICE
62	5
60	20
MRA	30
MRA	10*
	*(Reduced benefit)

FERS MINIMUM RETIREMENT AGE (MRA)

If you were born	Your MRA is
before 1948	55
In 1948	55 and 2 months
In 1949	55 and 4 months
In 1950	55 and 6 months
In 1951	55 and 8 months
In 1952	55 and 10 months
In 1953 thru 1964	56
In 1965	56 and 2 months
In 1966	56 and 4 months
In 1967	56 and 6 months
In 1968	56 and 8 months
In 1969	56 and 10 months
In 1970 and after	57

If you retire at the MRA with at least 10, but less than 30, years of service, your benefit will be reduced at the rate of five percent a year for each year you are under age 62, unless you have 20 years of service and your annuity begins at age 60 or later.

FERS DISCONTINUED SERVICE RETIREMENT

If you are scheduled for involuntary separation due to a RIF, you may be entitled to an immediate annuity under the early retirement provisions of the Federal Employees Retirement System if:

- 1. you have attained the age of 50 and completed 20 years of creditable service; or
- 2. regardless of your age, you have completed 25 years of creditable service.

You would not receive the Special Retirement Supplement (SRS) until you reach your MRA (55-57). The SRS approximates the portion of a full career social security benefit earned while under FERS, and ends at age 62 when social security benefits first become available.

FERS DEFERRED RETIREMENT

If you do not meet the requirement for an immediate annuity, you are entitled to a deferred annuity if you have completed at least five years of creditable civilian service. You may receive benefits at one of the following ages:

<u>AGE</u>	YEARS OF SERVICE
62	5
60	20
MRA	30
MRA	10*
	(*reduced benefit)

If you retire at the MRA with at least 10, but less than 30, years of service, your benefit will be reduced at the rate of five percent a year for each year you are under age 62, unless you have 20 years of service and your annuity begins at age 60 or later.

FERS EARLY OPTIONAL RETIREMENT (Early-Out)

Early optional retirement, also known as early out, is a specific kind of RIF-related retirement. Early-out retirement can happen only when authorized by OPM.

The OPM authorizes early-out retirement only when the agency or department is going to have a major RIF, major re-organization, or major transfer of function. The agency must meet very stringent criteria to show the need for early-outs, and to show that early-outs are cost-effective.

When OPM grants an early-out authorization, the conditions are very restrictive. For example, the authorization:

- a. will be restricted only to the pertinent areas or sections of the organization actually undergoing the major RIF, major re-organization, or major transfer of function;
- b. will usually be restricted to the immediate geographical location of the positions to be abolished or transferred:
- c. may exclude any shortage category occupations or positions; and
- d. will specify the period of time early-out retirements are authorized.

An employee may elect an immediate annuity under early-out authority (reduced by 2% for each year under age 55 under CSRS) if the following requirements are met:

- a. has completed at least 20 years of creditable service and be at least 50 years of age, or has completed at least 25 years of creditable service regardless of age;
- b. has served in a position covered by the Civil Service Retirement System for at least 1 year out of the 2 years immediately before retirement (this requirement does not apply to employees covered by the Federal Employees Retirement System);
- c. be serving under other than a temporary appointment;
- d. have been on the rolls of the component, i.e., Air Force, for which early retirements are authorized at least 30 calendar days before the date of the agency's request to OPM asking for the authority; and
- e. has remained continuously (i.e., without a break in service) on the rolls of the component covered by the early-out authority since the date of the agency's request to OPM for the authority.

<u>IF YOU ARE INTERESTED IN DETERMINING YOUR MONTHLY ANNUITY</u> <u>UNDER FERS, CONTACT THE AIR FORCE PERSONNEL CENTER</u> <u>AT 1-800-997-BEST (2378).</u>

OTHER RETIREMENT FACTS

- 1. Employees may be allowed to extend their separation beyond the effective date of the RIF as follows:
 - a. If you receive a RIF separation notice, you may use accrued annual leave to continue on the rolls beyond the RIF separation date in order to attain FIRST eligibility for retirement (optional or discontinued service) and/or to attain eligibility to continue Federal Employees Health Benefits (FEHB).
 - b. To be eligible for the temporary exception, you must be able to reach retirement or health benefits eligibility during the period represented by the amount of accrued annual leave to your credit as of the effective date of the RIF, plus the amount of annual leave you would earn while in an annual leave status after the effective date of the RIF.
 - c. A temporary exception under these conditions will not exceed the date you FIRST become eligible for immediate retirement or for continuation of health benefits into retirement as indicated below.
 - d. The amount of annual leave used to retain you to the date of FIRST retirement or health benefits eligibility is not included in any lump-sum payment. However, the remaining accrued annual leave (including restored leave, if any), plus any additional annual leave earned while in a leave status under a temporary exception, is included in the lump sum payment.

An employee retained under this authority is not entitled to any further RIF offer, and may not be returned to duty status. This temporary exception simply extends the RIF separation date.

- 2. The requirement for continuing Health and Life Insurance into retirement is as follows:
 - a. **Health Insurance:** Enrollment under the Health Insurance Program for:
 - 1. The five years of service immediately preceding retirement; or*
 - 2. All service since first opportunity to enroll.

*Coverage under the Uniformed Service Health Benefits Program, which includes CHAMPUS/TRI-CARE, can be included to meet the five-year requirement. However, the

employee must be enrolled in the Federal Employees Health Benefits Program at the time of retirement.

- b. **Life Insurance:** Retiring employees may continue Basic Life Insurance if he or she:
 - 1. is insured on date of retirement:
 - 2. has been covered for five years of service immediately preceding retirement, or since first opportunity to enroll.
- 3. The Civil Service Retirement Spouse Equity Act (CSRSEA) of 1984, Public Law 98-615, amended the Civil Service Retirement Act; (1) to require a joint waiver by annuitant (employee) and spouse of survivor benefits at the time of retirement; (2) to require that we recognize court orders granting survivor benefits to former spouses of Federal employees and retirees; (3) to require notice before payment of lump-sum refunds of contributions to the Civil Service Retirement system be given to some current spouses and former spouses entitled to survivor benefits, or a portion of an annuity, or a portion of the refund; (4) to provide that Federal retirees may elect survivor annuity for former spouses; (5) to provide that certain Federal retirees who were previously denied the option of providing survivor benefits to their current spouses will be permitted to provide such benefits; and (6) to provide survivor benefits payments to certain former spouses of Federal retirees who were divorced prior to the effective date of this legislation.
- 4. <u>PAYMENT OF LUMP SUM UNDER PUBLIC LAW 98-615</u>: A former employee's or member's current spouse must be notified of the former employee's or member's application for a lump sum payment after May 6, 1985. Any former spouse from whom the employee was divorced <u>after May 6, 1985</u> must also be notified of the application for lump sum payment.

If the former employee's or member's current or former spouse does not acknowledge notification, the employee or member may submit a signed postal return receipt as proof that he or she has mailed the notification to the current or former spouse. Alternatively, the employee or member may submit affidavits signed by two individuals who witnessed the employee's or member's personal attempt to obtain the current or former spouse's signature on the notification form. The burden of proving a bona fide effort to notify the spouse or former spouse is placed upon the employee or member, with the intent of keeping any delay in paying the refund within reasonable limits.

5. Specific information concerning retirement eligibility and/or health and life insurance may be obtained by contacting the Air Force Personnel Center at 1-800-997-BEST (2378) or by accessing the OPM Website at http://www.opm.gov.

SUMMARY OF RIGHTS & BENEFITS OF SEPARATING FEDERAL EMPLOYEES

FEDERAL EMPLOYEE'S HEALTH BENEFITS (FEHB)

If you are enrolled in this program, you will receive a Standard Form 2810, Notice of Change in Health Benefits Enrollment, showing the termination date of your enrollment (the last day of the pay period in which you separate). Coverage under your group plan automatically extends for 31 days from the termination date shown. You have **TWO** options for continuing your health benefits past this 31-day grace period:

- a. You may convert your coverage to a non-group contract offered by your health carrier with pre-existing conditions accepted. You would have to pay the <u>ENTIRE</u> cost of coverage directly to the carrier. Please be aware that the private contract offered by your health plan may not provide the same medical coverage you were entitled to under the government contract with your plan. If interested in this conversion, you must make a written request to your health carrier with 31 days of the date of notice (Part I) on the SF-2810. (See reverse side of SF-2810 for details.)
- b. You also have the option of enrolling in the Temporary Continuation of Coverage (TCC) Program. Under this program, you have the opportunity to enroll in any of the federal health plans offered in your area--you do not have to keep the plan in which you are currently enrolled. Pre-existing conditions would be accepted and you would receive the same medical coverage offered under the carriers federal contract. Coverage would begin the 32nd day after your termination and could continue for up to 18 months. For employees being involuntarily separated, DoD would pay the government's cost of the coverage, plus a 2 percent administrative charge. You have 60 days from your date of separation in which to enroll in this program. To enroll in temporary coverage, contact the Air Force Personnel Center at 1-800-997-BEST (2378).

REINSTATEMENT PRIVILEGES

If you are on a Career appointment at the time of your separation, you have lifetime eligibility to be considered for reinstatement into vacancies for which qualified. This does not mean that you have a mandatory right to reinstatement. It does mean you may apply for a vacant position for which you meet qualifying requirements. If you are on a Career-Conditional appointment at the time of separation, your reinstatement eligibility expires three years after separation. This time limitation does not apply if you are entitled to veterans preference. It is very important that you retain all copies of Standard Form 50, Notification of Personnel Action, received during your employment, since these documents will be needed to establish your eligibility for reinstatement.

FINAL PAY CHECK

Your final paycheck is issued on the regular payroll processed at the end of the pay period during which you separate. It will include salary payment through the last day of duty. Lump sum payment for any leave to which you are entitled may be in your last check, or depositied in your bank account at the next pay period. You will receive, by mail, your withholding tax statement, Form W-2. This will show your earnings for the current year and the amount withheld for federal taxes. Keep this for filing your Federal Tax Return.

UNEMPLOYMENT COMPENSATION

Federal employees have Unemployment Compensation rights similar to those of employees in private industry. At the time of your separation, you will receive a Notice To Federal Employee about Unemployment Insurance, Standard Form 8. If you want to file a claim for Unemployment Compensation, you should take the Standard Form 8, and other documents mentioned on that form, to the nearest Public Employment Office. They will accept your application and assist you in obtaining employment.

REQUESTING A REFUND OF RETIREMENT CONTRIBUTIONS

Upon separation, you may elect to withdraw your retirement fund in a lump sum if you are not eligible for an immediate annuity, or you may leave your retirement deductions in the Retirement Fund, avoiding the necessity of re-deposit to receive credit for service if you are reemployed in the Federal service. There is no advantage in leaving your retirement deductions in the fund if you have less than five years of creditable civilian service, and you do not contemplate returning to Government service. However, if you will be entitled to a deferred annuity at age 62, the value of the deferred annuity in most cases will exceed the amount of the lump sum credit. Upon attaining age 62 and filing a claim for retirement annuity, a survivor-type annuity may be elected.

Leaving the lump sum credit in the fund does not preclude a refund at a later date, providing you make application with the Office of Personnel Management (OPM) at least 31 days before the date you would become eligible for an annuity. If you die before attaining age 62, the lump sum credit is payable as a death benefit.

If you desire a refund, you should obtain and file an "Application for Refund of Retirement Deduction." If you have been separated more than 30 days, send your application directly to the Office of Personnel Management, Retirement Operation Center, P. O. Box 45, Boyers, PA 16017-0045.

You may elect to have your retirement deductions refunded. For those employees covered by CSRS, SF-2802 must be completed. For those employees covered by FERS, SF Form 3106 and SF Form 3106A (if applicable) must be completed. Be sure to read all instructions on the forms completely. Failure to complete these forms in a timely and accurate manner will cause severe delays in the issuance of your refund.

Special notice to employees covered by Federal Employees Retirement system (FERS): if you request a refund of your retirement contribution, you cannot redeposit this refund at a later date should you return to federal service. Furthermore, the service covered by the refund is no longer creditable toward your retirement if you apply for a refund. There is no provision in law for the redeposit of FERS contributions that have been refunded.

WHERE TO SEND COMPLETED REFUND OF RETIREMENT CONTRIBUTIONS FORMS

If you have been separated 30 days or less:

Air Force Personnel Center 1-800-997-BEST (2378)

If you have been separated more than 30 days, you should forward the application forms (received from BEST) to:

Office of Personnel Management Retirement Operations Center P. O. Box 45 Boyers PA 16017-0045

THRIFT SAVINGS PLAN (TSP)

If you are under this plan, you will receive a Thrift Savings Plan withdrawal package. The withdrawal package includes a booklet titled, "Withdrawing your TSP Account", and forms for withdrawing TSP. Review the withdrawal booklet and follow the procedures for the withdrawal option you choose. It is important that you notify the Thrift Savings Plan Office of your withdrawal decision or, if eligible, your decision to postpone withdrawal. Send forms sooner than the day of separation and preferably as soon as possible after separation to:

Thrift Savings Plan Service Office National Finance Center P.O. Box 61500 New Orleans, LA 70161-1500 For additional information concerning TSP, you may access information at www.tsp.gov.

FEDERAL EMPLOYEES GROUP LIFE INSURANCE (FEGLI)

Upon separation, you will receive an SF-2821, Agency Certification of Insurance, and an SF-2819, Notice of Conversion Privilege. The SF-2819 contains complete instructions for converting your government life insurance policy to a private one, along with premium rates for private coverage. To pursue conversion, simply complete the reverse side of the SF-2819, indicating which of your coverages (basic or options) you would like to convert and return to:

Office of Federal Employees Group Life Insurance (OFEGLI) 4 East 24th Street New York, NY 10010

SEVERANCE PAY

You may be entitled to severance pay if your separation is involuntary and on the date of separation you have been on the rolls in the Federal service for at least the preceding 12 calendar months. This may include service in both non-temporary and temporary appointments, providing there was not a break in service of more than three calendar days between appointments. "Reduction In Force" and "Resignation-RIF" actions are considered involuntary separations providing you have received a specific written notice of separation because of a RIF. There are other conditions under which an employee may be eligible for severance pay and your Civilian Personnel Office will explain these conditions to you if there is any possibility they pertain to you.

ELIGIBILITY REQUIREMENTS

In order to be eligible for severance pay, you must meet all of the following requirements:

- be separated involuntarily and not for reasons of misconduct, delinquency, or inefficiency;
 - Normally, an involuntary separation is the separation of an employee that is brought about through no fault of the employee - it is a managementinitiated action.
- have served at least 12 consecutive months under an appointment that had no time limit:
 - This means that an employee must be serving under a career or career-conditional appointment, or other appointment without a time limitation, and have been employed for a continuous period for 12 months before the involuntary separation.
- be on a part-time or full-time work schedule;
 - This means that an employee who works on an intermittent (non-scheduled) tour of duty is not eligible for severance pay.
- not be entitled to an immediate annuity (you must not currently be receiving Federal retirement pay or be eligible to receive it within 31 days);
 - This means that if a civilian employee is a retired military member, or is eligible to retire within 31 days from Military or Civilian federal employment, he or she is not eligible for severance pay.

- not have declined an offer of an equivalent position in the same commuting area.
 - For this purpose, a reasonable offer means the offer of a position that meets all the following conditions:
 - 1. the offer is in writing;
 - 2. the employee meets established qualification requirements; and
 - 3. the offered position is:
 - a. (1) in the employee's agency, i.e., Department of Defense, including all
 Military Components; (2) within the employee's commuting area, unless
 geographic mobility is a condition of employment;
 - b. of the same tenure and work schedule (that is, part-time or full-time); and
 - c. not lower than 2 grade or pay levels below the employee's current grade pay level, without consideration of grade or pay retention.

INELIGIBILITY FOR SEVERANCE PAY

If you are subject to the Civil Service Retirement Act and, at the time of involuntary separation, you have fulfilled the requirements for an immediate annuity under such law, severance pay is not permitted. (Minimum eligibility for Civil Service retirement: age 50 with 20 years of service, 25 years at any age, or age 62 with five years of service).

If, at the time of involuntary separation, you have fulfilled the requirements for an immediate annuity under **ANY OTHER** retirement law, or system which applied to Federal employees or members of the uniformed services, you are not eligible for severance pay.

REGARDLESS OF ANY ELECTION ON YOUR PART, IF YOU ARE ENTITLED TO AN IMMEDIATE ANNUITY, YOU <u>ARE NOT</u> ENTITLED TO SEVERANCE PAY.

If, at the time of involuntary separation, you are receiving compensation under the Federal Employees Compensation Act, except if you are receiving this compensation concurrently with salary or on account of the death of another person, severance pay is not appropriate.

REEMPLOYMENT

Reemployment in a Federal Agency in a career or career-conditional appointment stops severance pay should you be in receipt of such pay when reappointed.

If you received your severance pay in a lump sum and are reemployed at such time that had you been paid in regular pay periods and the payments would have been discontinued upon reemployment, you must repay an amount equal to the amount of severance pay that would not have been paid to you by reason of such reemployment.

Reemployment in a Federal Agency in a temporary appointment not to exceed one year will interrupt, or defer, severance pay until such appointment is terminated.

COMPUTATION OF SEVERANCE PAY

Your severance pay fund consists of two parts: a basic severance allowance, and an age adjustment allowance.

Basic Severance Allowance:

is one week's basic pay for each year of civilian service up to and including 10 years.

(and)

is two week's basic pay for each year of civilian service beyond 10 years. (25% of a year is given for each 3 months that the civilian service is more than 1 full year.) **NOTE:** Military service does not count.

NOTE: For FWS employees, basic pay **INCLUDES** any night shift differential the employee receives. Night shift differential is paid for two shifts - when the majority of the regularly scheduled work hours fall between 3 P.M. and midnight, and between 11 P.M. and 8 A.M. (Shift differential for GS employees is **NOT** part of their basic pay.)

Age Adjustment Allowance:

is 10% of the basic severance allowance for each year over 40 years of age at the time of separation. (25% of a year is given for each 3 months that the employee's age exceeds 40).

The total severance pay received will not exceed 1 year's pay at the rate received immediately before separation.

52-WEEK LIMITATION

There is a lifetime 1-year limit (26 bi-weekly pay periods) on the number of weeks you can ever be entitled to severance pay. Should you become entitled to severance pay upon a subsequent separation, there will be a recomputation of the number of weeks of severance pay due you, and it will be deducted from the number of weeks for which you previously received severance pay. Until you have received a total of 1 year of severance pay, the amount of severance pay that has been earned may be received each time you are separated.

INTERVALS PAID

Severance pay is paid at the same pay interval as when you were employed. It is paid until your severance pay fund is exhausted, or until you are reemployed in the Federal government, whichever occurs first. Therefore, if an employee was paid every two weeks when employed, they would receive severance pay every two weeks.

Final payment will consist of only that portion remaining.

No deductions will be made from your severance payments other than Federal and state income tax withholdings and FICA tax, if applicable.

ADDITIONAL INFORMATION

Should you die before the expiration of the period covered by the payments, such payments of severance pay will be continued as if you were living and they will be paid on a pay period basis to your survivor or survivors.

Any period covered by severance pay is not regarded as a period of Federal service or employment.

EXAMPLE - SEVERANCE PAY COMPUTATION

Employee, age 48 years, is involuntarily separated after 20 years of civilian service. His basic pay was \$350 a week (\$18,200 p/a) prior to his separation. He meets all the requirements for severance pay. His severance pay entitlement is:

Basic Severance Allowance:

10 weeks basic pay for first 10 years civilian service	
20 weeks basic pay for 10 years civilian service beyond 10 years	

BASIC SEVERANCE ALLOWANCE.....\$10,500

Age Adjustment Allowance:

\$10,500	Basic Severance Allowance
<u>x .10</u>	10%
\$1,050.00	
x 8	Years beyond age 40
\$8,400.00	AGE ADJUSTMENT ALLOWANCE

Severance Pay Fund:

Basic Severance Allowance\$10,500
and
Age Adjustment Allowance <u>+ 8,400</u>
TOTAL SEVERANCE PAY FUND\$18,900

52-Week Limitation:

Basic Severance Allowance	\$10,500
and	
Age Adjustment Allowance	+ 8,400
TOTAL SEVERANCE PAY FUND	\$18,900

Employee earns \$350 a week. So, pay for 52 weeks is \$18,200. Because of the 52-week limitation, employee can receive only 52 weeks' pay of \$18,200, not the \$18,900 as shown in the total severance pay fund.

LEAVE

ANNUAL LEAVE:

After separation, you will receive a lump sum payment for annual leave to your credit. The lump sum payment to which you are entitled is equal to the compensation you would have received had you remained in service until the expiration of that period of annual leave. **The period of leave used for calculating the lump-sum payment shall not be extended due to any holiday occurring after separation**. Leave is not earned during the period covered by the lump sum, nor will the compensation be subject to retirement deductions. If you are reemployed in any Federal Government agency, or by the government of the District of Columbia, within the period represented by the leave for which you are paid a lump sum, you will be required to refund the unexpired portion in the gross amount to your new agency. After the refund is made, your new agency will then credit you with the amount of leave covered by the refund.

SICK LEAVE:

You **WILL NOT** be paid for any sick leave to your credit at the time of your separation. However, it will be recredited to you if you are reemployed in the Federal service, or by the government of the District of Columbia.

When an employee retires on an immediate annuity under CSRS, the time represented by the unused sick leave is added to the actual service in computing the annuity. **THIS IS NOT DONE WHEN EMPLOYEES RETIRE UNDER FERS.**



PLACEMENT PROGRAMS

If you are separated as a result of a RIF, there are a number of programs to help you find a job.

DEPARTMENT OF DEFENSE PRIORITY PLACEMENT PROGRAM (PPP)

The Priority Placement Program (PPP) is a highly effective and highly regarded program operated by the Department of Defense (DoD). **NOTE** that this program is DoD wide; it is not just a Department of the Air Force program.

The following is a brief summary of the basic information on PPP. If a RIF is implemented, all employees involved in the RIF would be given information specific to their situation. Registrants must be counseled and registered into the system by the Civilian Personnel Office.

The DoD PPP is an automated placement system for Career/Career Conditional employees which blocks the fill of most vacant positions within DoD.

Whenever you are scheduled to be changed to lower grade or separated through RIF procedures, you are eligible to be registered in this system.

In most circumstances the registration is voluntary; in others it is mandatory. PPP registration is mandatory during the specific notice period (normally 60-120 days) and for one year from separation for employees who have entitlement to severance pay. Mandatory registrants who limit their area of referral to the commuting area **MUST** be registered for two grades below current permanent grade and for all series for which qualified.

You will be registered for your current permanent grade. You may also be registered for the equivalent of three GS grade levels below your current permanent grade level. A formula is used to make this determination.

Selecting your area of referral will depend upon your occupation and grade level and the availability of jobs for which you qualify. The United States is divided into four zones. Texas and Sheppard AFB is in zone two. You may register for individual activities, regions, or states zone-wide. You, therefore, can select those places in which you will accept employment and block the fill of vacant positions for which you are qualified and registered. The more positions and locations for which you are available, the better your probability of placement.

You must take the first position offered for which you registered and are fully qualified. If you decline a position for which you have registered, you lose your PPP eligibility. If the position that you declined is in the same commuting area as the base, and at the same grade, you will also lose your eligibility for severance pay.

If the position that you are offered is outside of your normal commuting area, the government will pay for travel expenses for you and your dependents, to include shipment of your household goods.

Generally, you will be eligible to remain in the system for one year following your separation. You can be removed from the program by placement, by declination of a valid offer, or at your request during that period.

INTERAGENCY CAREER TRANSITION ASSISTANCE PLAN (ICTAP)

The Interagency Career Transition Assistance Plan (ICTAP) gives surplus or displaced employees priority referral to positions in other agencies. This special plan, which suspends the Interagency Placement Program (IPP), will operate through 30 September 2001 unless further extended because of severe downsizing. Under the ICTAP, eligible DoD employees can receive placement consideration for positions in other Federal agencies. However, they receive consideration for placement within DoD through the Priority Placement Program ("Stopper" List) and the Reemployment Priority List (discussed later in this chapter). PLEASE NOTE: SINCE ONE OF THE ELIGIBILITY CRITERIA UNDER ICTAP IS THAT THE EMPLOYEE OCCUPIES OR HAS BEEN DISPLACED FROM A POSITION IN THE SAME COMMUTING AREA OF THE VACANCY, OPPORTUNITIES ARE LIMITED IN THE WICHITA FALLS, TX AREA.

To be eligible for the special selection priority, an individual must meet all of the following conditions:

- a. Be a current, or former, career or career-conditional competitive service employee, in tenure group I or II, who has received a specific RIF separation notice;
 - b. Have a current (or last) performance rating of record of acceptable or equivalent;
 - c. Applies for a vacancy at or below the grade level from which the employee has been or is being separated, that does not have a greater promotion potential than the position from which the employee has been or is being separated;
 - d. Occupies or has been displaced from a position in the same local commuting area of the vacancy;
- e. Files an application for a specific vacancy within the timeframes established by the agency; and
 - f. Is determined by the agency to be well-qualified for the specific position.

Eligibility for special selection priority begins on the date the agency issues the RIF separation notice.

ELIGIBILITY EXPIRES:

- a. one year after separation;
- b. one year after your agency certifies that you cannot be placed after being separated because of a compensable injury;

- c. one year after you receive notification that your disability annuity has been or is being terminated (if you retired with a disability);
- d. when the employee receives a career, career-conditional, or excepted appointment without time limit in any agency;
 - e. when the employee no longer meets the eligibility requirements;
- f. with a specific agency, upon declination of an official offer to the employee by that agency.

To receive this special selection priority, eligible employees must apply directly to agencies for specific vacancies in the local commuting area within the prescribed timeframes, attach the appropriate proof of eligibility, and be determined well-qualified by the agency for the specific position.

Other employees who may be entitled to the special selection priority under the ICTAP:

- a. A current or former career or career-conditional employee, who was separated because of a compensable injury, whose compensation has been terminated and whose former agency is unable to place the individual;
- b. A former career or career-conditional competitive service employee, in tenure group I or II, who retired with a disability, whose disability annuity has been, or is being terminated;
 - c. A former career or career-conditional competitive service employee, in tenure group I or II, in receipt of a RIF separation notice, who retired on the effective date of the RIF, or under the discontinued service retirement option;
- d. A former career or career-conditional competitive service employee, in tenure group I or II, who is separated because he/she declined a transfer of function, or directed reassignment, to another commuting area; and
 - e. A former Military Reserve Technician or National Guard Technician who is receiving a special disability retirement annuity from OPM.

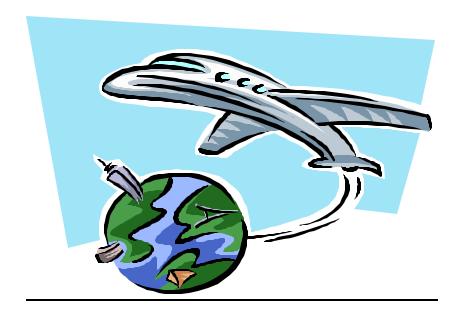
OTHER PLACEMENT EFFORTS

REEMPLOYMENT PRIORITY LIST (RPL)

The Reemployment Priority List (RPL) regulations afford priority consideration for employees separated from competitive service in tenure groups I or II. It is maintained by a DoD activity for each commuting area in which employees are separated. It restricts most hiring from outside the DoD. An RPL eligible can be given consideration ahead of internal candidates as well. Career/career conditional employees separated by a RIF are eligible for RPL consideration if they have not declined a RIF offer for a permanent competitive service position with a rate no lower than that of the position from which separated. Employees who resign or retire before the RIF date are not eligible for RPL registration.

Enrollment is optional. Eligible registrants may apply to be placed on the RPL the day after receipt of the notice of separation due to RIF, but no later than 30 days after separation. The period of eligibility is two years from the date of registration for tenure Group I (career), and one year for tenure Group II (career conditional) employees. Eligibility begins on the date of separation.

Consideration is afforded for permanent and temporary positions if the registrants are qualified and available. Employees may be removed from the RPL upon declination of a position at the same grade, or with a representative rate at least as high as that of the position from which separated; acceptance of permanent reemployment in the same, or different, agency; failure to reply to an inquiry concerning a specific permanent position (valid job offer); or at their own request.



PERMANENT CHANGE OF STATION (PCS) TRAVEL

In times of RIF, it sometimes becomes necessary to move in order to continue employment. If you continue to work for the federal government, you may be eligible to have your travel and transportation expenses paid for by the federal government.

ELIGIBILITY REQUIREMENTS

Travel and transportation expenses are payable when it is in the interest of the government to move an employee from one duty station to another at a different geographical location. Those movements considered to be in the interest of the government include those for employees who:

- a. are entitled to and accompany a transfer of function;
- b. have been issued a RIF notice and are to be reassigned or transferred within the Department of Defense (DoD) prior to separation;
- c. are involuntarily separated and obtain positions on their own initiative at another DoD activity when the activity in which they are employed is officially announced for closure or transfer, under conditions prescribed by DoD Manual 1400.20-1-M, Chap 2, para 2;
 - d. are former employees separated by RIF, or because of declining a transfer with function, and are reemployed within one year of separation in a nontemporary appointment at a permanent duty station other than where separation occurred;

- e. are serving under retained grade and are registered in the DoD Priority Placement Program for jobs in a different commuting area; or
 - f. are selected to fill a position in a different geographical location and the gaining agency has stated it will pay travel and transportation expenses.

RELOCATION ENTITLEMENTS

When an employee meets one of the above eligibility requirements, the relocation entitlements authorized are as follows:

- a. House hunting trip.
- b. Mileage and per diem to new duty station for employee and dependents.
- c. Temporary quarters for 60 days while permanent quarters are being sought.
- d. Miscellaneous expense to cover utility deposits, auto registration, drivers license, etc.
 - e. Transportation of household goods and 90 days temporary storage.
- f. Reimbursement for various closing costs associated with the sale of old residence, purchase of a new residence, and penalties incurred from an unexpired lease, if applicable.

RIF GRIEVANCES AND APPEALS

One of the reasons for having a uniform procedure for RIF is to make sure that employees are treated fairly and given all their rights. However, an employee who believes that RIF regulations were not applied correctly in his/her case may file a grievance, if a bargaining unit employee, or an appeal, if not a bargaining unit employee.

BARGAINING UNIT EMPLOYEES

If you are a bargaining unit employee and you feel your RIF rights have been violated, you are required to follow the procedures outlined in the negotiated agreement when filing a grievance. The only exception to this when grieving a RIF action is if you are alleging discrimination. If alleging discrimination based on race, color, religion, sex, age, handicapping condition, or national origin in connection with a RIF offer, you may elect to file either a grievance under the negotiated agreement, submit an appeal to the **U.S. Merit Systems Protection Board (MSPB), Dallas Field Office, 1100 Commerce Street, Room 6F20, Dallas, TX 75242,** or file an Equal Employment Opportunity (EEO) complaint through local EEO complaint procedures. However, it must be understood that you may only file under one system. If you elect to file an appeal with MSPB, you must follow the guidelines contained in Appendix B, DoD 1400.20-1-P. Your appeal to the MSPB must be in writing and may be submitted any time during the period beginning with the day after the effective date of the action until no later than 30 days after the effective date. You must not file your appeal before the effective date of this action. If you elect to file a complaint through local EEO procedures, your complaint must be submitted within 45 calendar days of the effective date of this action. Information on this procedure may be obtained from the EEO Office at extension 6-4393.

NON-BARGAINING UNIT EMPLOYEES

If you are a non-bargaining unit employee, and you feel your RIF rights have been violated, you are entitled to appeal your RIF action to the **U.S. Merit Systems Protection Board (MSPB)**, **Dallas Field Office, 1100 Commerce Street, Room 6F20, Dallas, TX 75242.** Your appeal to the MSPB must be in writing and may be submitted any time during the period beginning with the day after the effective date of the action until no later than 30 days after the effective date. You must not file your appeal before the effective date of this action. The MSPB guidelines for submission of an appeal are provided in Appendix B, DoD 1400.20-1-P. If you allege discrimination based on race, color, religion, sex, age, handicapping condition or national origin in connection with a RIF offer, you have the additional option of using the Equal Employment Opportunity (EEO) complaint procedures. However, it must be understood that you may only file under one system. If you elect to file a complaint through local EEO procedures, your complaint must be submitted within 45 calendar days of the effective date of this action. Information on this procedure may be obtained from the EEO Office at extension 6-4393.



QUESTIONS AND ANSWERS

Some of the most commonly asked questions about RIF and related issues are answered below:

- **Q.** Who determines which positions will be abolished?
- **A.** Management identifies the **POSITIONS** (not the employees) to be abolished.
- **Q**. How much notice will employees, affected by a RIF, receive?
- **A.** A minimum of 60 days in advance of the effective date. Should a contractor be selected as the service provider, Sheppard AFB is required to give a 120-day notice.
- **Q**. I am on a temporary promotion. Will I be on the retention register at my permanent grade or temporary grade?
 - **A.** Your permanent grade. All employees compete based on their permanent grade.

- **Q.** For RIF purposes, is there a difference between a 5-point veteran and a 10-point veteran?
- **A.** No. The only distinction is a 30% disabled veteran who is in a higher sub-group than all other veterans.
 - **Q.** Do letters of appreciation, cash awards, sick leave accumulation, etc., help my retention in a RIF?
- **A.** No. While these are important documents, by regulation, they have no bearing on retention standing.
 - **Q.** Can I appeal my RIF action?
- **A.** Yes. Your appeal/grievance rights depend on whether or not you are in a bargaining unit and covered by the labor management agreement. All appeal/grievance rights will be spelled out in the RIF notice.
- **Q.** If I am career-conditional today, but due to be converted to career on 20 Mar 2002, and the RIF is effective on 29 Mar 2002, how will I compete? With career-conditional employees, or other career employees?
- **A.** You will compete as a career employee. All such actions are projected through the effective date of the RIF.
- **Q.** I am a career employee. Can I bump someone just hired on a VRA appointment with less time than me?
- **A.** No. An employee with a competitive service appointment cannot bump or retreat to a position occupied by an excepted service appointment and vice versa.
 - **Q.** If I work in one squadron, can I bump an employee in a different squadron?
 - **A.** Yes. If the person is in a lower tenure, or lower veteran preference sub-group, and if you are qualified for the position.
- **Q.** Do handicapped employees, who have been converted to the competitive service, have special status in a RIF?
- **A.** No. Once handicapped employees are converted from the excepted service to the competitive service, they compete on the same basis as all other employees.

HELPFUL WEBSITES

Air Force Personnel Center Job Kit http://www.afpc.randolph.af.mil/afjobs

Career Program Registration https://www.afpc.randolph.af.mil/afpcsecure/MainMenu.asp

Civilian Electronic Official Personnel Folder (OPF)

https://www.afpc.randolph.af.mil/afpcsecure/MainMenu.asp

Current Job Vacancies Announcements http://www.usajobs.opm.gov/a.htm

Federal Open Competition Announcements http://ftp.fedworld.gov/pub/jobs/tx.txt

Federal Register Postings by OPM http://www.opm.gov/fedregis/index.htm

Forms (electronic versions) http://opm.gov/forms/index.htm

Health Insurance http://www.opm.gov/insure/index.html

Life Insurance http://www.opm.gov/insure/life/index.htm

Office of Personnel Management Homepage http://www.opm.gov

Palace Compass http://www.afpc.randolph.af.mil/dpc/

Pay and Leave and Work Schedules http://www.opm.gov/oca/INDEX.HTM

Pay Info – General and Personal http://www.dfas.mil/emss

Personnel Management Information Support System http://www.afpc.randolph.af.mil/permiss

Qualification Standards Operating Manual http://www.opm.gov/qualifications

Retiring Employees Information Page

http://www.afpc.randolph.af.mil/dpc/BEST/retiring.htm

Retirement Estimates https://www.afpc.randolph.af.mil/afpcsecure/MainMenu.asp

Retirement Programs (CSRS & FERS) http://www.opm.gov/retire/index.htm

Reduction in Force http://www.opm.gov/rif/general/rifmenu.htm

Reduction in Force at USAJOBS http://usajobs.opm.gov/b6b.htm

Severance Pay Computation http://www.afpc.randolph.af.mil/permiss/

Social Security Administration http://www.ssa.gov/

Texas Workforce Commission Homepage http://twc.state.tx.us/

Thrift Savings Plan (TSP) Homepage http://www.tsp.gov/

VERA (OPM's Agency Guide) http://www.opm.gov/employ/vera/vera01.htm

Vet Guide http://www.opm.gov/veterans/html/vetguide.htm

VSIP (OPM's Page) http://www.opm.gov/employ/html/vsip.htm